ELLIS: LAWHORNE

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John F. Beach Direct dial: 803/343-1269 jbeach@ellislawhorne.com

March 22, 2005

VIA ELECTRONIC AND HAND-DELIVERY

The Honorable Charles L.A. Terreni Executive Director South Carolina Public Service Commission Post Office Drawer 11649 Columbia, South Carolina 29211

RE:

South Carolina Electric & Gas Company Annual Review of Base Rates

for Fuel Costs Docket No. 2005-2-E

Our File No. 925-10289

Dear Charles:

In reply to the Company's Response of March 21, 2005 in this docket (hereinafter "Response"), SMI Steel - South Carolina ("SMI") wishes to make the following two simple points.

- 1. SMI acted promptly in this proceeding. SMI received SCE&G's testimony on March 2, 2005 and submitted discovery requests a mere four business days later. Only when SCE&G's testimony was in hand did SMI know that it had an issue with that testimony. In reality, four business days to review testimony and prepare discovery responses cannot be construed as a delayed reaction. (The fact that SMI intervened in this docket on the last day to intervene is irrelevant. No part of the calendar in this docket relies on intervention.)
- 2. A two week extension would still allow the Commission to hold the hearing no more than twelve months after the hearing in the last SCE&G fuel docket. As noted by SCE&G, last year the Commission held its SCE&G fuel factor hearing on April 21 and April 22. (Response at 3.) Accordingly, even if the Commission grants SMI a two week extension in this docket (from April 6 to April 20), the hearing in this docket will be held within twelve months of the last relevant hearing. The Commission could rule before the end of April, allowing the implementation of the new base fuel factor soon thereafter.

Thank you for your consideration.

Yours very truly,

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John F. Beach

cc:

Damon Xenopoulos, Esquire

all parties of record [VIA ELECTRONIC MAIL SERVICE]